

JS 44C/SDNY
REV. 12/2005

CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for use of the Clerk of Court for the purpose of initiating the civil docket sheet.

PLAINTIFFS

Ethan Allen Global, Inc.

ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)

Wiggian and Dana
450 Lexington Avenue, New York, NY 10017

DEFENDANTS

Peoples Americana, Inc.;
JJ Peoples; Van De Walde;
Herschel D. Pruitt

ATTORNEYS (IF KNOWN)

Scott D. Corrigan

CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE A BRIEF STATEMENT OF CAUSE)

Trademark Infringement 15 U.S.C. 1141 and 1125 and

Has this or a similar case been previously filed in SDNY at any time? No Yes? Judge Previously AssignedIf yes, was this case Vol. Invol. Dismissed. No Yes If yes, give date _____ & Case No. _____

(PLACE AN [X] IN ONE BOX ONLY)

NATURE OF SUIT

ACTIONS UNDER STATUTES

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
	PERSONAL INJURY	PERSONAL INJURY		
<input type="checkbox"/> 110 INSURANCE	<input type="checkbox"/> 310 AIRPLANE	<input type="checkbox"/> 362 PERSONAL INJURY - MED MALPRACTICE	<input type="checkbox"/> 610 AGRICULTURE	<input type="checkbox"/> 400 STATE REAPPORTIONMENT
<input type="checkbox"/> 120 MARINE	<input type="checkbox"/> 315 AIRPLANE PRODUCT LIABILITY	<input type="checkbox"/> 365 PERSONAL INJURY PRODUCT LIABILITY	<input type="checkbox"/> 620 FOOD & DRUG	<input type="checkbox"/> 410 ANTITRUST
<input type="checkbox"/> 130 MILLER ACT	<input type="checkbox"/> 320 ASSAULT, LIBEL & SLANDER	<input type="checkbox"/> 368 ASBESTOS PERSONAL INJURY PRODUCT LIABILITY	<input type="checkbox"/> 625 DRUG RELATED SEIZURE OF PROPERTY	<input type="checkbox"/> 430 BANKS & BANKING
<input type="checkbox"/> 140 NEGOTIABLE INSTRUMENT	<input type="checkbox"/> 330 FEDERAL EMPLOYERS' LIABILITY	<input type="checkbox"/> 630 LIQUOR LAWS	<input type="checkbox"/> 21 USC 861	<input type="checkbox"/> 450 COMMERCE/ICC RATES/ETC
<input type="checkbox"/> 150 RECOVERY OF OVERPAYMENT & ENFORCEMENT OF JUDGMENT	<input type="checkbox"/> 340 MARINE LIABILITY	<input type="checkbox"/> 640 RR & TRUCK INJURY PRODUCT LIABILITY	<input type="checkbox"/> 640 AIRLINE REGS	<input type="checkbox"/> 460 DEPORTATION
<input type="checkbox"/> 151 MEDICARE ACT	<input type="checkbox"/> 345 MARINE PRODUCT LIABILITY	<input type="checkbox"/> 650 OCCUPATIONAL SAFETY/HEALTH	<input type="checkbox"/> 660 OCCUPATIONAL SAFETY/HEALTH	<input type="checkbox"/> 470 RACKETEER INFLUENCED & CORRUPT ORGANIZATION ACT (RICO)
<input type="checkbox"/> 152 RECOVERY OF DEFANTED STUDENT LOANS (EXCL VETERANS)	<input type="checkbox"/> 350 MOTOR VEHICLE LIABILITY	<input type="checkbox"/> 690 OTHER	<input type="checkbox"/> 670 TRADEMARK	<input type="checkbox"/> 480 CONSUMER CREDIT
<input type="checkbox"/> 153 RECOVERY OF OVERPAYMENT OF VETERANS BENEFITS	<input type="checkbox"/> 355 MOTOR VEHICLE PRODUCT LIABILITY	<input type="checkbox"/> 700 OTHER	<input type="checkbox"/> 680 OTHER	<input type="checkbox"/> 490 CABLE/SATELLITE TV
<input type="checkbox"/> 160 STOCKHOLDERS SUITS	<input type="checkbox"/> 360 OTHER PERSONAL INJURY	<input type="checkbox"/> 710 FAIR LABOR STANDARDS ACT	<input type="checkbox"/> 710 SOCIAL SECURITY	<input type="checkbox"/> 510 SELECTIVE SERVICE
<input type="checkbox"/> 180 OTHER CONTRACT	<input type="checkbox"/> 365 PROPERTY DAMAGE	<input type="checkbox"/> 720 LABOR/MGMT RELATIONS	<input type="checkbox"/> 720 LABOR/MGMT REPORTING & DISCLOSURE ACT	<input type="checkbox"/> 650 SECURITIES/ COMMODITIES/ EXCHANGE
<input type="checkbox"/> 195 CONTRACT PRODUCT LIABILITY	<input type="checkbox"/> 385 PROPERTY DAMAGE PRODUCT LIABILITY	<input type="checkbox"/> 730 RAILWAY LABOR ACT FEDERAL TAX SUITS	<input type="checkbox"/> 730 RAILWAY LABOR ACT FEDERAL TAX SUITS	<input type="checkbox"/> 750 CUSTOMER CHALLENGE 12 USC 3410
<input type="checkbox"/> 196 FRANCHISE	<input type="checkbox"/> 390 OTHER PERSONAL INJURY	<input type="checkbox"/> 740 OTHER LABOR LITIGATION	<input type="checkbox"/> 740 OTHER LABOR LITIGATION	<input type="checkbox"/> 891 AGRICULTURE ACTS
	ACTIONS UNDER STATUTES		<input type="checkbox"/> 750 OTHER LABOR LITIGATION	<input type="checkbox"/> 892 ECONOMIC STABILIZATION ACT
	REAL PROPERTY	CIVIL RIGHTS	<input type="checkbox"/> 760 OTHER LABOR LITIGATION	<input type="checkbox"/> 893 ENVIRONMENTAL MATTERS
		PRISONER PETITIONS	<input type="checkbox"/> 770 OTHER LABOR LITIGATION	<input type="checkbox"/> 894 ENERGY ALLOCATION ACT
			<input type="checkbox"/> 780 OTHER LABOR LITIGATION	<input type="checkbox"/> 895 FREEDOM OF INFORMATION ACT
<input type="checkbox"/> 210 LAND CONDEMNATION	<input type="checkbox"/> 441 VOTING	<input type="checkbox"/> 790 OTHER LABOR LITIGATION	<input type="checkbox"/> 790 OTHER LABOR LITIGATION	<input type="checkbox"/> 900 APPEAL OF FEE DETERMINATION UNDER EQUAL ACCESS TO JUSTICE
<input type="checkbox"/> 220 FORECLOSURE	<input type="checkbox"/> 442 EMPLOYMENT	<input type="checkbox"/> 791 EMPL. RET. INC SECURITY ACT	<input type="checkbox"/> 791 IRS-THIRD PARTY 20 USC 7809	<input type="checkbox"/> 950 CONSTITUTIONALITY OF STATE STATUTES
<input type="checkbox"/> 230 RENT LEASE & EJECTMENT	<input type="checkbox"/> 443 HOUSING ACCOMMODATIONS	<input type="checkbox"/> 800 MOTIONS TO VACATE SENTENCE 28 USC 2255	<input type="checkbox"/> 800 MOTIONS TO VACATE SENTENCE 28 USC 2255	<input type="checkbox"/> 890 OTHER STATUTORY ACTIONS
<input type="checkbox"/> 240 TORTS TO LAND	<input type="checkbox"/> 444 WELFARE	<input type="checkbox"/> 810 HABEAS CORPUS	<input type="checkbox"/> 810 HABEAS CORPUS	
<input type="checkbox"/> 246 TORT PRODUCT LIABILITY	<input type="checkbox"/> 445 AMERICANS WITH DISABILITIES - EMPLOYMENT	<input type="checkbox"/> 820 DEATH PENALTY	<input type="checkbox"/> 820 DEATH PENALTY	
<input type="checkbox"/> 290 ALL OTHER REAL PROPERTY	<input type="checkbox"/> 446 AMERICANS WITH DISABILITIES - OTHER	<input type="checkbox"/> 830 MANDAMUS & OTHER	<input type="checkbox"/> 830 MANDAMUS & OTHER	
		<input type="checkbox"/> 535 CIVIL RIGHTS	<input type="checkbox"/> 840 CIVIL RIGHTS	
		<input type="checkbox"/> 540 PRISON CONDITION	<input type="checkbox"/> 850 PRISON CONDITION	

Check if demanded in complaint:

CHECK IF THIS IS A CLASS ACTION
UNDER F.R.C.P. 23DO YOU CLAIM THIS CASE IS RELATED TO A CIVIL CASE NOW PENDING IN S.D.N.Y.?
IF SO, STATE:

DEMAND \$ _____ OTHER _____ JUDGE _____ DOCKET NUMBER _____

Check YES only if demanded in complaint
JURY DEMAND: YES NO

NOTE: Please submit at the time of filing an explanation of why cases are deemed related.

(PLACE AN X IN ONE BOX ONLY)

<input checked="" type="checkbox"/> 1 Original Proceeding	<input type="checkbox"/> 2a. Removed from State Court	<input type="checkbox"/> 3 Remanded from Appellate Court	<input type="checkbox"/> 4 Reinstated or Reopened	<input type="checkbox"/> 5 Transferred from (Specify District)	<input type="checkbox"/> 6 Multidistrict Litigation	<input type="checkbox"/> 7 Appeal to District Judge from Magistrate Judge Judgment
AND at least one party is a pro se litigant						

(PLACE AN X IN ONE BOX ONLY)

<input type="checkbox"/> 1 U.S. PLAINTIFF	<input type="checkbox"/> 2 U.S. DEFENDANT	<input checked="" type="checkbox"/> 3 FEDERAL QUESTION (U.S. NOT A PARTY)	<input type="checkbox"/> 4 DIVERSITY	IF DIVERSITY, INDICATE CITIZENSHIP BELOW. (28 USC 1332, 1441)		
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CITIZENSHIP OF PRINCIPAL PARTIES (FOR DIVERSITY CASES ONLY)

(Place an [X] in one box for Plaintiff and one box for Defendant).

CITIZEN OF THIS STATE	PTF <input type="checkbox"/> 11 <input checked="" type="checkbox"/> 12	DEF <input type="checkbox"/> 11 <input checked="" type="checkbox"/> 12	CITIZEN OR SUBJECT OF A FOREIGN COUNTRY	PTF <input type="checkbox"/> 13 <input checked="" type="checkbox"/> 14	DEF <input type="checkbox"/> 13 <input checked="" type="checkbox"/> 14	INCORPORATED and PRINCIPAL PLACE OF BUSINESS IN ANOTHER STATE	PTF <input type="checkbox"/> 15 <input checked="" type="checkbox"/> 16	DEF <input type="checkbox"/> 15 <input checked="" type="checkbox"/> 16
CITIZEN OF ANOTHER STATE	<input checked="" type="checkbox"/>		INCORPORATED or PRINCIPAL PLACE OF BUSINESS IN THIS STATE	<input checked="" type="checkbox"/>		FOREIGN NATION	<input type="checkbox"/> 16 <input checked="" type="checkbox"/> 17	

PLAINTIFF(S) ADDRESS(ES) AND COUNTY(IES)

Ethan Allen Drive
Danbury, CT

DEFENDANT(S) ADDRESS(ES) AND COUNTY(IES)

Peoples American Tuc. and JJ Peoples
192 Lexington Avenue
New York, NY
Van DeWald

DEFENDANT(S) ADDRESS UNKNOWN

REPRESENTATION IS HEREBY MADE THAT, AT THIS TIME, I HAVE BEEN UNABLE, WITH REASONABLE DILIGENCE, TO ASCERTAIN THE RESIDENCE ADDRESSES OF THE FOLLOWING DEFENDANTS:

Van DeWald
Herschel D. Pruitt

Check one: THIS ACTION SHOULD BE ASSIGNED TO: WHITE PLAINS FOLEY SQUARE
(DO NOT check either box if this a PRISONER PETITION.)

DATE SIGNATURE OF ATTORNEY OF RECORD

ADMITTED TO PRACTICE IN THIS DISTRICT

RECEIPT #

NO
 YES (DATE ADMITTED Mo. 6 Yr. 1996
Attorney Bar Code # 5545

Magistrate Judge is to be designated by the Clerk of the Court.

Magistrate Judge _____ is so Designated.

J Michael McMahon, Clerk of Court by _____ Deputy Clerk, DATED _____

UNITED STATES DISTRICT COURT (NEW YORK SOUTHERN)

JUDGE SPRIZZO

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ETHAN ALLEN GLOBAL, INC.

Plaintiff,

v.

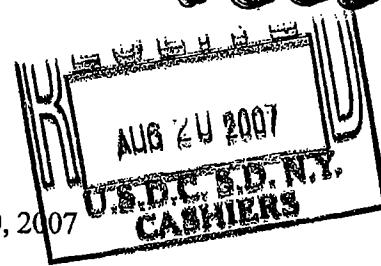
PEOPLES AMERICANA, INC.,
JJ PEOPLES, VAN DEWALD, and
HERSCHEL D. PRUITT

Defendants.

Case No.

07 CV 7389

AUGUST 20, 2007



**VERIFIED COMPLAINT FOR TRADEMARK INFRINGEMENT
FALSE DESIGNATION OF ORIGIN AND TRADEMARK DILUTION**

Plaintiff Ethan Allen Global, Inc. ("Ethan Allen"), for its Complaint against Defendants Peoples Americana, Inc., JJ Peoples, Van DeWald, and Herschel D. Pruitt, hereby alleges as follows:

NATURE OF THE ACTION

1. This is an action arising under the Trademark Laws of the United States, 15 U.S.C. §§1051 *et seq.* (the "Lanham Act"), and in particular for (a) trademark infringement, in violation of 15 U.S.C. § 1114(1); (b) false designation of origin, in violation of 15 U.S.C. § 1125(a); and (c) trademark dilution, in violation of 15 U.S.C. § 1125(c).

2. This Court has jurisdiction over the subject matter of this action and of the parties pursuant to 28 U.S.C. §§ 1331, 1332, and 1338; 15 U.S.C. § 1121.

THE PARTIES

3. Plaintiff Ethan Allen is a corporation organized and existing under the laws of the State of Delaware, having its principal place of business in Danbury, Connecticut.

4. Defendant Peoples Americana, Inc. ("Peoples") is, upon information and belief, a corporation organized and existing under the laws of the State of New York, having a place of business at 192 Lexington Avenue, New York, NY.

5. Defendant JJ Peoples ("JJ") is, upon information and belief, a corporation organized and existing under the laws of the State of New York, having a place of business at 192 Lexington Avenue, New York, NY.

6. Defendant Van DeWald ("DeWald") is an individual who, upon information and belief, is the president of Peoples and JJ. Upon information and belief, DeWald is a resident of either the State of New York or the State of New Hampshire.

7. Defendant Herschel D. Pruitt ("Pruitt") is an individual who, upon information and belief, is a resident of State of Wyoming.

8. Venue is proper in this district pursuant to 28 U.S.C. §§1331(b) and (c).

FACTUAL BACKGROUND

The ETHAN ALLEN Marks

9. Plaintiff Ethan Allen is a nationally recognized distributor of high-quality home furnishings and design services. Ethan Allen sells its signature furniture, rugs, window treatments and other home products – and offers individualized design services to customers – through a nationwide network of company-owned and independently-owned retail design centers. There are approximately 176 company-owned Ethan Allen retail design centers; those outlets are owned and operated by plaintiff's corporate affiliate Ethan Allen Retail, Inc.

10. Plaintiff Ethan Allen is the owner of U.S. Trademark Reg. No. 2984367 for "ETHAN ALLEN" for "Retail home furniture, furnishing and appliance store services"; Reg. No. 2952893 for "medicine cabinets, bathroom cabinets and vanities"; Reg. No. 2910032 for

“ETHAN ALLEN” for “Window curtains, draperies and textile wall hangings”; Reg. No. 972404 for “ETHAN ALLEN” for “Pictures, paintings and prints”; Reg. No. 903549 for “ETHAN ALLEN” for “Rugs and upholstery fabrics”; Reg. No. 903855 for “ETHAN ALLEN” for “Clocks”; and Reg. No. 737146 for “ETHAN ALLEN” for “Furniture – namely, household furniture, units for use in either living rooms or bedrooms, cabinets, chests, corner desks, bookcases, beds, headboards for beds, breakfronts, wall racks, buffets, upholstered and unupholstered sofas, love seats, ottomans, chairs, reclining chairs, benches, end tables, corner tables, night tables, cocktail tables, lamp tables, drop-leaf tables, mirrors and magazine racks”; and Reg. No. R26798 for “ETHAN ALLEN” for “Furniture” (collectively, the “ETHAN ALLEN Marks” or the “Marks”). These Registrations are valid, in full force and effect, and incontestable within the meaning of 15 U.S.C. § 1065.

11. Plaintiff Ethan Allen is also the owner of over 40 additional U.S. Trademark Registrations, all of which incorporate or are related to the ETHAN ALLEN Mark. By way of example, plaintiff owns Reg. No. 2562772 for “ETHAN ALLEN AVENUE COLLECTION” for “Furniture and accessories, namely hampers, mirrors, magazine racks, plastic and wood figurines”; Reg. No. 2511485 for “E.A. KIDS” for “Children’s furniture and accessories, namely, mirrors, picture frames, decorative room dividers, decorative shelving, pillows and wooden jewelry boxes”; Reg. No. 2862983 for “ETHAN ALLEN KIDS” for “furniture and accessories, namely, decorative room dividers, decorative shelving, pillows, wooden jewelry boxes, mirrors, magazine racks”; and Reg. No. 2403245 for “ETHAN ALLEN AMERICAN ARTISAN” for “Furniture.” (collectively, the “ETHAN ALLEN Family of Marks”).

12. Plaintiff Ethan Allen, has used the ETHAN ALLEN Mark and ETHAN ALLEN Family of Marks continuously in interstate commerce since 1935.

13. Plaintiff has spent several decades and substantial sums of money advertising, promoting and otherwise cultivating goodwill in the ETHAN ALLEN Mark and the ETHAN ALLEN Family of Marks, such that the marks have come to be associated with high quality goods and services and have attained secondary meaning in the minds of consumers as designating goods and services of particular origin, namely, Plaintiff Ethan Allen.

14. As a result of the long and extensive use and advertisement of the ETHAN ALLEN Mark and the ETHAN ALLEN Family of Marks in connection with Plaintiff's goods and services, the ETHAN ALLEN Mark has become closely associated with Plaintiff, has become exceedingly well-recognized and has acquired great value, and identifies Plaintiff and its goods and services exclusively.

Defendants' Use of the ETHAN ALLEN Marks

15. Until July 27, 2007, defendant DeWald, through either or both of his companies Peoples and/or JJ (collectively, for ease of reference, Peoples, JJ and DeWald will be referred to herein as "DeWald") was an authorized Ethan Allen retailer operating most recently at 192 Lexington Avenue in New York City.

16. Until July 27, 2007, DeWald had a limited license to use the ETHAN ALLEN Marks and the ETHAN ALLEN Family of Marks for the offering and sale of furniture and design services at his retail location. That limited license ended on July 27, 2007.

17. In March of 2007, DeWald notified plaintiff that he intended to cease doing business as an authorized Ethan Allen retailer.

18. By letter dated April 5, 2007, plaintiff set forth the procedure for DeWald to close the business and sell any remaining merchandise. A copy of that letter is attached to this

Verified Complaint as Exhibit A. The letter sets forth plaintiff's standard procedure whenever an authorized Ethan Allen retailer chooses to end its business.

19. The letter gave DeWald until July 27, 2007 to close his doors and complete any liquidation sales, and also stated, in pertinent part:

a) "As of Friday, July 27, we require that all building signage and awnings using the Ethan Allen name, trademark, or service mark at the Lexington Avenue location be removed from the property, and any areas of the building showing an outline of the Ethan Allen name, trademark, or service mark following the removal of such signage be eradicated, painted over or otherwise obliterated."

Ex. A at 3.

b) "You are hereby reminded that the Peoples license to operate as an authorized Ethan Allen retailer will be terminated as of the close of business on Friday, July 27, and that any Ethan Allen branded product remaining in Peoples possession as of that date may not be disposed of or sold without receiving prior written approval and permission from Ethan Allen. . . . As I am sure you understand this prior written approval from Ethan Allen is necessary to protect the Ethan Allen brand image." *Id.*

20. Among other things, the letter also contains guidelines for DeWald's advertising of any liquidation or store closing sales:

a) "[A]s a national brand with a network of Design Centers, protection of the integrity of the Ethan Allen brand is of utmost importance. You will be responsible to ensure that there is no confusion in the minds of consumers as to who is going out of business . . ." See Ex. A at 2.

- b) "To protect the integrity of the Ethan Allen brand, drafts of all letters, newspapers, advertising, signage, radio and television scripts, or any liquidation sale materials using the Ethan Allen brand name must be submitted to our Advertising Department . . . for review at least 72 hours in advance of any publication or advertising deadline." *Id.*
- c) "If any non-Ethan Allen product is offered for sale after Tuesday, June 12, that product must be clearly distinguished from all remaining Ethan Allen brand product by means of tagging, signage, and a separate physical location. . . . Throughout the liquidation sale, every effort must be made to protect the Ethan Allen brand from any appearance of being an 'off-price' brand." *Id.*
- d) "We also require that all advertising be confined to your local market so that the Ethan Allen brand image is not affected and there is no confusion in adjacent markets." *Id.*

21. At the time DeWald announced his intention to close his business, there were several other Ethan Allen retail design centers in New York City and the surrounding areas.

22. DeWald failed to comply with the terms of the April 5, 2007 letter. From April through July 2007, he continually refused to submit advertising for pre-approval, and published misleading advertisements in the *New York Times* stating, among other things, that "Ethan Allen is Selling Out!" These advertisements have caused consumer confusion, harmed the other Ethan Allen retailers in the New York area, and diluted the ETHAN ALLEN Marks and the ETHAN ALLEN Family of Marks.

23. DeWald did not complete his liquidation sale and close the business by July 27, 2007.

24. As of the date of this Verified Complaint, DeWald has not removed the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name from the signage at 192 Lexington Avenue.

25. Upon information and belief, DeWald has authorized others, including but not limited to defendant Pruitt, to use the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name without permission. Most recently, on August 17, 2007, defendant Pruitt ran an advertisement in the *New York Times* stating in relevant part:

FURNITURE & RUG AUCTION. Ethan Allen of New York City has CLOSED ITS DOORS. POV Auction Firm has obtained the remaining inventory and must liquidate it at public auction in conjunction with furniture and oriental rugs obtained from various liquidators and suppliers. THIS IS YOUR CHANCE TO PURCHASE FINE FURNITURE AND AREA RUGS FOR A FRACTION OF THEIR VALUE. LIVING ROOMS, UPHOLSTERY, LEATHER, CURIOS, BEDDING, GRANDFATHER CLOCKS AND MUCH MORE! FINE ORIENTAL RUGS FROM ALL OVER THE WORLD INCLUDING GENUINE HANDMADE PERSIAN RUGS. THIS AUCTION IS LIKE NONE OTHER!

A copy of this advertisement is attached to this Verified Complaint as Exhibit B.

26. The advertisement also provides that the auction is to be held at the former location of ETHAN ALLEN (in large type). *See Ex. B.* The small print at the bottom of the advertisement states: "Auction conducted by Herschel Pruitt." *Id.*

27. Defendants Peoples, JJ and DeWald have illegally and without plaintiff's permission continued to use the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name after July 27, 2007.

28. Defendant Pruitt never had plaintiff's permission to use the ETHAN ALLEN Marks or Family of Marks. The *New York Times* advertisement, as well as the resulting auction in Ethan Allen's name is fraudulent and illegal.

29. Plaintiff, through counsel, sent Peoples, DeWald and Pruitt a cease and desist letter on August 17, 2007, a copy of which is attached to this Verified Complaint as Exhibit C. Defendants did not respond to that letter and the auction proceeded over the weekend of August 18 and 19 as advertised.

30. During the first day of that auction (August 18), the Ethan Allen name was prominently displayed on the storefront, at least 50% of the items offered for sale were not Ethan Allen products, and customers were not advised of the actual brand or origin of the merchandise they were purchasing.

31. Defendants have refused to discontinue their use of the ETHAN ALLEN Marks and ETHAN ALLEN Family of Marks despite repeated requests to do so. Defendants are fully aware of plaintiff's intellectual property rights and have acted and continue to act in reckless disregard of those rights.

32. Defendants are using the Ethan Allen name in order to trade upon and utilize the goodwill established by Plaintiff in the ETHAN ALLEN Mark and the ETHAN ALLEN Family of Marks.

COUNT I
TRADEMARK INFRINGEMENT (15 U.S.C. § 1114(1))

33. Plaintiff realleges and incorporates herein by reference all of the allegations set forth in Paragraphs 1 through 32 above.

34. Plaintiff Ethan Allen has neither authorized nor consented to Defendants' continued use of the ETHAN ALLEN Marks and ETHAN ALLEN Family of Marks.

35. Defendants have marketed and promoted their "Furniture & Rug Auction" through the unauthorized use of the ETHAN ALLEN Marks and ETHAN ALLEN Family of

Marks, which has caused and is likely to cause confusion or mistake among prospective or actual customers, in violation of 15 U.S.C. § 1114(1).

36. Defendant's marketing and promotion of their "Furniture & Rug Auction" using the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name in violation of the Lanham Act was intentional and committed with full knowledge that these actions would cause confusion, mistake or deception.

37. Defendants' knowing use of the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name without authorization was willful, intentional and flagrant.

38. Defendants will continue to use and infringe the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name, causing irreparable injury to plaintiff Ethan Allen, unless enjoined by this Court. The threat of injury to plaintiff's goodwill and reputation, and the fact that the auction is set to continue for two more business days (Aug. 20-21), requires immediate injunctive relief.

39. Plaintiff Ethan Allen has no adequate remedy at law because it cannot be adequately compensated for the deprivation and dilution of the consumer recognition and goodwill built up under the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name over the years.

40. Defendants' continued operation of their "Furniture & Rug Auction" will cause plaintiff Ethan Allen irreparable injury because the goodwill related to the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name will be diluted and taken from plaintiff's control; customers will be confused and deceived into believing that the furniture

and other items being auctioned are all Ethan Allen products, when they are not; and other Ethan Allen retailers will lose profits and revenues that cannot be readily calculated.

41. Plaintiff Ethan Allen has a substantial likelihood of prevailing on the merits of this claim.

42. The balance of equities weighs in Ethan Allen's favor because the injury suffered by Ethan Allen outweighs any harm an injunction may impose on Defendants.

43. Accordingly, plaintiff Ethan Allen seeks monetary damages and a preliminary and permanent injunction enjoining Defendants from further infringement of the ETHAN ALLEN Marks or ETHAN ALLEN Family of Marks, as set forth in the Prayer for Relief.

COUNT II
FALSE DESIGNATION OF ORIGIN (15 U.S.C. § 1125(a)(1)(A))

44. Plaintiff realleges and incorporates herein by reference all of the allegations set forth in Paragraphs 1 through 43 above.

45. Defendants, without the consent of Plaintiff, are using the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name in connection with its "Furniture & Rug Auction," which is likely to cause confusion or mistake, or to deceive consumers as to the affiliation, connection or association of Defendants with Plaintiff, or as to the origin, sponsorship, or approval of Defendants' services or commercial activities by Plaintiff, in violation of 15 U.S.C. § 1125(a).

46. Upon information and belief, Defendants' use of the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name in connection with their "Furniture & Rug Auction" was in bad faith and in willful disregard of Plaintiff's rights, with intent to trade on and appropriate the reputation and goodwill that Plaintiff has built up in the

ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name, and to divert customers and revenues from Plaintiff and its authorized Ethan Allen retail locations.

47. The aforementioned actions and activities of Defendants have caused and will continue to cause damage and irreparable harm and injury to Plaintiff unless and until such time as they are enjoined by this Court.

48. Accordingly, plaintiff Ethan Allen seeks monetary damages and a preliminary and permanent injunction enjoining Defendants from further infringement of the ETHAN ALLEN Marks or ETHAN ALLEN Family of Marks, as set forth in the Prayer for Relief.

COUNT III
TRADEMARK DILUTION (15 U.S.C. § 1125(c))

49. Plaintiff realleges and incorporates herein by reference all of the allegations set forth in Paragraphs 1 through 48 above.

50. The ETHAN ALLEN Marks and ETHAN ALLEN Family of Marks are distinctive and famous, having been used by Plaintiff in connection with the provision of Plaintiff's goods and services since 1935.

51. Defendants' improper use of the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name has caused and is causing the dilution of the distinctive quality of the ETHAN ALLEN Marks and ETHAN ALLEN Family of Marks in violation of 15 U.S.C. §1125(c).

52. Upon information and belief, Defendants' use of the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name in connection with their "Furniture & Rug Auction" was in bad faith and in willful disregard of Plaintiff's rights, with intent to trade on and appropriate the reputation and goodwill that Plaintiff has built up in the

ETHAN ALLEN Mark and the ETHAN ALLEN Family of Marks, and to divert customers and revenues from Plaintiff and its independently-owned and corporate retail locations. Defendants' use of the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name is damaging the goodwill associated with the ETHAN ALLEN Marks and ETHAN ALLEN Family of Marks.

53. The aforementioned actions and activities of Defendants have caused and will continue to cause damage and irreparable harm and injury to Plaintiff unless and until such time as they are enjoined by this Court.

54. Accordingly, plaintiff Ethan Allen seeks monetary damages and a preliminary and permanent injunction enjoining Defendants from further infringement of the ETHAN ALLEN Marks or ETHAN ALLEN Family of Marks, as set forth in the Prayer for Relief.

WHEREFORE, Plaintiff demands judgment in its favor and against defendants, Peoples Americana, Inc., JJ Peoples, Van DeWald and Herschel D. Pruitt, jointly and severally, and prays for an order preliminarily and permanently enjoining Defendants and their officers, directors, principals, agents, servants, employees, successors, assigns, affiliates, licensees, manufacturers, distributors, and all that are in active concert or participation with them, or any of them, from:

- a. conducting or advertising any auctions in the Ethan Allen name, or otherwise infringing or diluting the ETHAN ALLEN Mark or ETHAN ALLEN Family of Marks;
- b. displaying the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks and Ethan Allen brand name at the 192 Lexington Avenue location;

- c. making any statement or representation whatsoever with respect to products or services that falsely designates Plaintiff as the origin of the products or services or is otherwise false or misleading;
- d. otherwise making unauthorized use of or infringing upon the ETHAN ALLEN Marks, ETHAN ALLEN Family of Marks or other trademarks of Plaintiff; and
- e. any other conduct that would cause or is likely to cause confusion, mistake, or misunderstanding as to the source, affiliation, connection, or association of Defendants' products or services with Plaintiff or Plaintiff's goods and services.

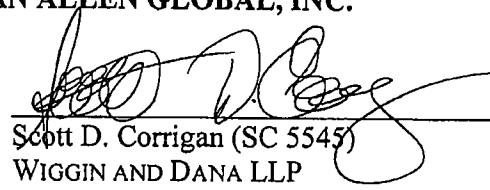
Plaintiff further prays:

- f. that the Court award Plaintiff the damages caused by Defendants' unlawful activities;
- g. that the Court order Defendants to account for and pay over to Plaintiff all profits realized by Defendant in connection with its unlawful activities;
- h. that the Court increase the damages awarded to Plaintiff up to three times, and that Plaintiff be awarded its costs and attorney fees, pursuant to 15 U.S.C. §1117 and/or as otherwise provided by law; and
- i. that Defendants be ordered to pay Plaintiff punitive damages as provided by law;
- j. that Defendants be ordered to pay Plaintiff the costs of this action and reasonable attorney's fees and investigatory fees;
- k. that Defendants be ordered to pay Plaintiff prejudgment interest; and
- l. that the Court order such further and additional relief as it may deem just and proper.

Respectfully submitted,

PLAINTIFF
ETHAN ALLEN GLOBAL, INC.

By:



Scott D. Corrigan (SC 5545)
WIGGIN AND DANA LLP
450 Lexington Avenue
New York, NY 10017
(212) 490-1700
(212) 490-0536 fax
scorrigan@wiggin.com

Its Attorneys

Of Counsel:

Erika L. Amarante
Admitted in Connecticut
Pro hac vice motion to be filed
WIGGIN AND DANA LLP
One Century Tower
P.O. Box 1832
New Haven, CT 06508
(203) 498-4493
Fax: (203) 782-2889
eamarante@wiggin.com

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ETHAN ALLEN GLOBAL, INC.	:	
	:	Case No.
Plaintiff,	:	
	:	
v.	:	
	:	
PEOPLES AMERICANA, INC.,	:	
JJ PEOPLES, VAN DEWALD, and	:	
HERSCHEL D. PRUITT	:	
	:	
Defendants.	:	AUGUST 20, 2007

VERIFICATION

I, Jack DeKorne, on behalf of Ethan Allen Global, Inc., being duly sworn, depose and say that I have read the allegations in the Verified Complaint and they are true to the best of my knowledge, information and belief.



subscribed and sworn to me this
19th day of August, 2007, before me

James Cunradi
Notary Public
Name:
My Commission Expires:

My Commission Expires July 31, 2011

EXHIBIT A

MAY-24-2007 09:27

ETHAN ALLEN LEGAL DEPT.

203 743 8254 P.05



April 5, 2007

Rec'd. ex
8565-7677-
4714

PERSONAL AND CONFIDENTIAL

Mr. Van DeWald
PEOPLES AMERICANA, INC
192 Lexington Avenue at 32nd Street
New York, New York 10016-6823

Dear Van:

You have informed Ethan Allen Global, Inc. ('Ethan Allen') that Peoples Americana, Inc. ('Peoples') intends to liquidate the Ethan Allen inventory at the Ethan Allen Design Center located at 192 Lexington Avenue at 32nd Street, New York, New York beginning on the Memorial Day weekend, and cease doing business as an authorized Ethan Allen retailer at that location.

While as of this writing you have not determined a date when you will cease doing business as an Ethan Allen retailer at the Lexington Avenue location, we will reasonably assume based on other similar liquidation events that the date will not go beyond Friday, July 27, 2007. Any other date should be requested by you in writing and received in Danbury by not later than close of business (EST) Friday, April 13, 2007. Failure to request an alternate date as described above will be deemed as confirmation of your agreement with and acceptance of Friday, July 27, 2007 as the date when you will cease doing business as an Ethan Allen retailer at the above location.

For good order's sake we should clarify some of our standard procedures that need to be put in place for the closing of this location and the operation of your liquidation sale.

OPEN ACCOUNT BALANCE AND UNDELIVERED BACKLOG

You have had credit extended to you in the past based on the available collateral of inventory at your locations, however, in view of your decision to liquidate the assets of your Design Center as referenced above, the following terms will apply going forward from the beginning of the liquidation sale.

Assuming the sale begins on the Memorial Day weekend, you will be required to send a check to Ethan Allen by overnight mail in the amount equal to the open balance owed to Ethan Allen, plus the amount of unshipped orders on the

MAY-24-2007 09:27

ETHAN ALLEN LEGAL DEPT.

203 743 8254 P.06

Peoples account as of the close of business on Monday, June 4, 2007 in order to bring all account balances to zero.

Mike Abdullah will coordinate with you on the financial side during this period to monitor your account and ensure that all required procedures are in place.

NEW ORDERS

In order to enable the designers at your location to complete projects they have begun with customers, Ethan Allen will accept new orders through the close of business (EST) on Tuesday, June 12, 2007 provided that during that time Peoples is not misusing the Ethan Allen name or service marks or selling any non-Ethan Allen products from the Ethan Allen Design Center. New orders on the Peoples account written after the close of business on Monday, June 4, 2007 must be sent to Ethan Allen, Attention: Mike Abdullah, and will only be processed on a cash-in-advance basis.

ADVERTISING AND CONSUMER COMMUNICATION

As I am sure you understand, as a national brand with a network of Design Centers, protection of the integrity of the Ethan Allen brand is of utmost importance. You will be responsible to ensure that there is no confusion in the minds of consumers as to who is going out of business, that the Ethan Allen brand is not damaged by misinformation or representations which cannot be fulfilled subsequent to the closing of your location, and that customers are properly serviced for as long as Peoples remains an authorized Ethan Allen retailer.

To protect the integrity of the Ethan Allen brand, drafts of all letters, newspaper advertising, signage, radio and television scripts, or any liquidation sale material using the Ethan Allen brand name must be submitted to our Advertising Department to the attention of Tara Kortze (FAX 203-743-8214 or email tkortze@ethanalleninc.com) for review at least 72 hours in advance of any publication or advertising deadline. The Ethan Allen product line, brand name, and trademark must not be used together with any other product line, brand name, or trademark in any advertising materials. If any non-Ethan Allen product is offered for sale after Tuesday, June 12, that product must be clearly distinguished from all remaining Ethan Allen brand product by means of tagging, signage, and a separate physical location (see paragraph on Standards of Operation below). Throughout the liquidation sale, every effort must be made to protect the Ethan Allen brand from any appearance of being an 'off price' brand.

We also require that all advertising be confined to your local market so that the Ethan Allen brand image is not affected and there is no confusion in adjacent markets. If at any time we believe you or those managing your sale do not honor the spirit and letter of these paragraphs on advertising and brand integrity we will move to stop the improper use of our brand.

MAY-24-2007 09:27

ETHAN ALLEN LEGAL DEPT.

203 743 8254 P 07

STANDARDS OF OPERATION

STANDARDS OF OPERATION
Throughout the sale you must continue to operate in accordance with the Ethan Allen's Standards of Operation. If any non-Ethan Allen product is offered for sale as referenced in the above paragraph, all exterior Ethan Allen point of sale signage, building signage, truck signage, and all other uses of the marks must be removed from the property, eradicated, painted over, or otherwise completely covered up prior to that time so that they are not visible to consumers; and the remaining interior showroom and business use of Ethan Allen trade or service marks, including sales documents, must be limited to note that Ethan Allen brand furniture and home furnishings as well as other brand name merchandise is offered for sale. Merchandise that is not Ethan Allen must be identified as non-Ethan Allen merchandise with the manufacturers name clearly shown on the item and associated with each item on the sales invoice. All Ethan Allen merchandise will be sold to the public 'as-is' / 'where-is', with the exception of new orders referenced above.

STORE IDENTITY

STORE IDENTITY
As of Friday, July 27, we require that all building signage and awnings using the Ethan Allen name, trademark, or service mark at the Lexington Avenue location be removed from the property, and any areas of the building showing an outline of the Ethan Allen name, trademark, or service mark following the removal of such signage be eradicated, painted over or otherwise obliterated. We request that you email to me digital photographs documenting for our records that these actions have been satisfactorily completed. My email address is jdekomje@ethanalleninc.com.

ETHAN ALLEN BRAND INVENTORY

ETHAN ALLEN BRAND INVENTORY
You are hereby reminded that the Peoples license to operate as an authorized Ethan Allen retailer will be terminated as of the close of business on Friday, July 27, and that any Ethan Allen branded product remaining in Peoples possession as of that date may not be disposed of or sold without receiving prior written approval and permission from Ethan Allen. Should it become necessary to sell remaining Ethan Allen brand inventory after the above termination date you will need to send a letter to my attention outlining the options you are considering to dispose of the remaining inventory prior to any disposal or sale of the remaining Ethan Allen branded product, and hold all remaining Ethan Allen branded product in your possession until written approval and permission from Ethan Allen has been received. As I am sure you understand this prior written approval from Ethan Allen is necessary to protect the Ethan Allen brand image.

In summary, here are the key dates to manage toward as you plan your sale:

- Friday, April 13 Deadline to request alternate termination date
- Monday, June 4 Deadline to bring all account balances to zero
- Tuesday, June 12 Deadline to place new Ethan Allen orders
- Friday, July 27 Cease operations as authorized retailer

MAY-24-2007 09:28

ETHAN ALLEN LEGAL DEPT.

203 743 8254 P.08

PRODUCT SERVICE

Notwithstanding that you are no longer permitted to sell Ethan Allen product after July 27, you will be required to fulfill all design and sales service obligations for Ethan Allen products sold during the liquidation sale.

AGREEMENTS

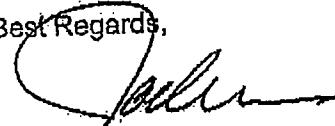
Effective as of the date you cease doing business at your design center located at Lexington Avenue at 32nd Street all licenses or other agreements with Ethan Allen Global, Inc. will be deemed terminated with no further force or effect.

It is understood that any approvals by Ethan Allen shall not relieve Peoples of its obligation to comply with any applicable laws or regulations regarding the promotion, advertising, or implementation of the sale or for post-approval failure to comply with the standards outlined above.

Except for the earlier notification required in the first paragraph, unless we hear from you in writing prior to the commencement of the liquidation sale, we will consider your silence as your agreement and your acceptance of all of the remaining terms and procedures of this letter.

Thank you for your attention to these matters and, as always, I am available to answer any questions you may have.

Best Regards,



Jack Dekorne
Vice President, Retailer Relations

EXHIBIT B

HUG 17 2007 10:00 AM PT 101

South Carolina, SC accepted the guilty plea of county committee to pay \$100,000 to launder money.

(AP) (COMBERG, NEW)

TRANSIT The Los Angeles City Council gave the go-ahead to a \$1.2 billion project, which will double the size of the airport. It should be completed by 2010.

(AP)

WEST

WILDLIFE WATER IS DISMISSED A federal suit brought by a coalition of shipowners and law intended to curtail the introduction of species to the Great Lakes. The law, enacted earlier this year, bars ships sailing into Michigan ports from discharging ballast tanks or cargo holds of ships to prevent, or, if they do plan to discharge, the removal of any non-native species. On behalf of Federal District Court, ruled that the law was unconstitutional. The species posed a "serious threat" to

LIBBY SANDEK

FOUND IN RIVER Two more sets of human remains were found in the wreckage of the Interstate 35 bridge, raising the known death toll to 11. The divers got to only after cranes moved by Mitchell, spokesman for the diving identified as those of Vera Peck, 50, of Minnetonka, Minn., of White Bear Lake, the Hen

(AP)

YOUTH

STAY OPEN The Herndon Town Council kept its day laborer center open but to check the immigration status of the operator, Project Hope and Harmony, which checks workers' documents. The center, which opened two years ago to provide for workers who used to flag down drivers on its main street. Six months after the new mayor and two new council members

(AP)

FIHWEST

ILLEGAL CONSPIRACY A member of the helping transport illegal immigrants by conspiracy charge. The man, Jose three guardmen accused of helping illegal immigrants on Interstate 35. The other two, Sgt. Clarence Hodge Jr., have pleaded guilty. Clarence Hodge Jr., have pleaded guilty to 10 years in prison and up to \$250,000

(AP)

MORE RAIN The remnants of Tropical Storms, snarling rush-hour traffic and downpours brought seven inches of rain to Houston, where a person was killed when a storage unit collapsed.

(AP)

the would be some of the most severe in the last 10 years. There was no damage to the passes, but there was significant damage to the underlying aluminum structures.

"We don't clean anything under 10 miles, the last 10 miles," said Steven Sharpen, chairman of the mission management team, and last night at a news conference.

The management team made its decision at a meeting that lasted almost five hours. The news was read to the shuttle crew at 9 p.m. Eastern time, just before they went to sleep.

Engineers unanimously agreed that the gouge "was not a threat to crew safety," Mr. Sharpen said. "We had thought that for several days, but we were waiting for the final analysis to be complete."

A second decision, not to conduct a repair spacewalk as an added precaution to prevent any

potential damage to the equipment, was made by the mission management team, which has been meeting daily since the shuttle, which has been delayed, was launched.

NASA engineers are also examining the Richard B. Mullane, one of the astronauts on a spacewalk Wednesday, for a hole in the outer layer of a glove.

Potentially, a "small" hole could damage NASA's planning is Hurricane Dean. By the middle of the week, the storm could be in the Gulf of Mexico just as mission controllers would be preparing for the Endeavour's landing.

No day is complete
without
The New York Times

FURNITURE & RUG AUCTION

Ethan Allen of New York City has CLOSED ITS DOORS. POV Auction Firm has obtained the remaining inventory and must liquidate it at public auction in conjunction with furniture and oriental rugs obtained from various liquidators and suppliers. THIS IS YOUR CHANCE TO PURCHASE FINE FURNITURE AND AREA RUGS FOR A FRACTION OF THEIR VALUE. LIVING ROOMS, UPHOLSTERY, LEATHER, CURIOS, BEDDING, GRANDFATHER CLOCKS AND MUCH MORE! FINE ORIENTAL RUGS FROM ALL OVER THE WORLD INCLUDING GENUINE HANDMADE PERSIAN RUGS. THIS AUCTION IS LIKE NONE OTHER!

AUCTION DATES & TIMES**SATURDAY, AUG. 18TH AT 1PM****SUNDAY, AUG. 19TH AT 1PM****MONDAY, AUG. 20TH AT 6:30PM****TUESDAY, AUG. 21ST AT 6:30PM**

2 HOUR PREVIEW PRIOR TO EACH SCHEDULED AUCTION TIME

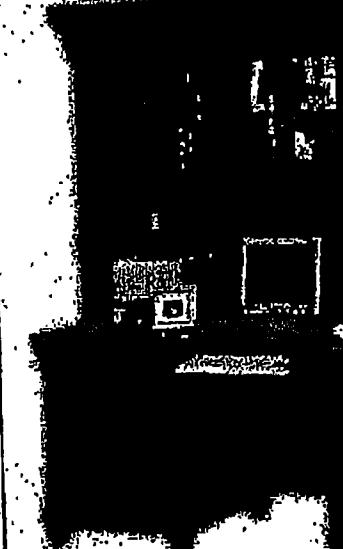
**AUCTION TO BE HELD AT THE
FORMER LOCATION OF****ETHAN ALLEN**192 LEXINGTON AVE • NEW YORK, NY 10016
PHONE 212-213-0500

LIVING ROOMS
DINING ROOMS
BEDROOMS
LEATHER
ACCESSORIES
BEDDING
ORIENTAL RUGS
& MORE!!!

YOU ABSOLUTELY
DON'T WANT TO MISS
THIS AUCTION!!

All merchandise and/or merchandise must be picked up within 48 hours. All items must be paid for day of auction. A 15% buyer's premium is in effect on all purchases during auction days. Auction to be held at the former location of Ethan Allen. Credit terms are subject to review. Terms of Payment: Visa, Mastercard, American Express, Discover, Certified Check, and Cash. All of the final, no refunds, returns, or exchanges. Auction conducted by Homeland Prints. (G)

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collections offered by Computer
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Israel to

NEWS ANALYSIS

EXHIBIT C

Wiggin and Dana LLP One Century Tower P.O. Box 1832 New Haven, Connecticut 06508-1832 www.wiggin.com	Erika L. Amarante 203.498.4493 203.782.2889 fax amarante@wiggin.com
---	--

VIA FAX AND/OR EMAIL

August 17, 2007

WIGGIN AND DANA

Counsellors at Law

Mr. Van De Wald
PEOPLES AMERICANA, INC
192 Lexington Avenue at 32nd Street
New York, NY 10016-6823
Email: vandewald@msn.com

Herschel D. Pruitt
601 9th Street
Wheatland, WY 82201
Fax: 307-322-3034
Email: Hersh@twinpineswy.com

Re: Cease & Desist: Auction of Ethan Allen Merchandise

Dear Messrs. De Wald and Pruitt:

This firm represents Ethan Allen Global, Inc. ("Ethan Allen"). The affiliation that PEOPLES AMERICANA, INC. ("PEOPLES") and Mr. De Wald once had with Ethan Allen ended on July 27, 2007. PEOPLES' and Mr. De Wald's right to use the "Ethan Allen" trademarks or logo ended at that time.

Mr. Pruitt has advertised an auction of Ethan Allen merchandise at PEOPLES' former location, to take place over the next several days. *See* New York Times advertisement, dated August 17, 2007 (attached). The advertisement wrongfully asserts that "Ethan Allen of New York City" is closing its doors and illegally uses the "Ethan Allen" trademark without Ethan Allen's approval or consent.

This advertisement and the proposed auction are blatant violations of PEOPLES' and Mr. De Wald's post-termination obligations. They also violate state and federal law, including Ethan Allen's federally-protected trademarks. Ethan Allen is prepared to protect its rights to the fullest extent of the law.

Accordingly, you must cease and desist from holding the illegally and fraudulently advertised auction. If you do not comply with this notice, Ethan Allen will have no choice but to bring an action against PEOPLES, Mr. De Wald and Mr. Pruitt for violation of its federal trademark and other applicable rights. That action will request, at a minimum, injunctive relief, compensatory damages, punitive damages, attorneys' fees and any other remedies available under the law.

Mr. Van De Wald
PEOPLES AMERICANA, INC.

August 17, 2007
Page 2

Nothing in this letter may be viewed as a waiver of Ethan Allen's legal rights, all of which are expressly reserved.

WIGGIN AND DANA

Counsellors at Law

Very truly yours,



Erika L. Amarante

Enclosure

cc: Thomas J. Kowalski, fax 212-588-0500, email: TKowalski@fhlaw.com

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HUG 17 2007 22:00 ET 111

LOS ANGELES (AP) — The Los Angeles City Council has voted to ban the use of palm trees at Los Angeles International Airport, the council said Tuesday.

The vote came on a motion by Councilman Mike Bonin, who introduced the measure. The Council gave the go-ahead to a \$10-million project, which will remove palm trees at the airport. It should be completed by the end of the year. (AP)

AP NEWS

NO BALLAST WATER IS DEMANDED A federal law, sought by a coalition of shippers and intended to curb the introduction of Great Lakes, The law, enacted earlier this year, bars ballast water discharge from ships sailing into Michigan ports. The vessels will not discharge ballast tanks or cargo holds of ships to protect, or, if they do plan to discharge, to remove any non-native species. On behalf of Federal District Court, remand that the law was unconstitutional, as species posed a "serious threat" to

LIBBY SANDEK

FOUND IN RIVER Two more sets of human remains, amid the wreckage of the Interstate 35 bridge, raising the known death toll to 11. The divers got to only after cranes moved the Mitchell, spokesman for the diving identified as those of Vera Peck, 50, of Edina, 45, of White Bear Lake, the Hen's office said. (AP)

YOUTH

STAY OPEN The Herndon Town Council kept its day laborer center open but to check the immigration status of the operator, Project Hope and Harmony, & check workers' documents. The center, since it opened two years ago to provide for workers who used to flag down drivers' main street. Six months after the new mayor and two new council members. (AP)

MIDWEST

TRY TO CONSPIRACY A member of the helping transport illegal immigrants in conspiracy charge. The man, Jose three guardsmen accused of helping 11-point on Interstate 35. The other two, Sgt. Clarence Hodge Jr., have pleaded to 10 years in prison and up to \$250,000. (AP)

MORE RAIN The remnants of Tropical Storm, snarling rush-hour traffic and downpours brought seven inches of rain to Houston, where a person was killed when a storage unit collapsed. (AP)

the underlying structure of the building, which is the main reason for the collapse, he said.

"We don't see anything unusual in the structure of the lead," said Shapourian, chairman of the management team, said last night after news of the collapse.

The management team made its decision at a meeting that lasted almost five hours. The news was announced to the shume crew at 9 p.m. Eastern time, just before they went to sleep.

Engineers unanimously agreed that the gough "was not a threat to crew safety," Mr. Shapourian said. "We had thought that for several days, but we were waiting for the final analysis to be complete."

A second decision, not to conduct a repair spacewalk as an added precaution to prevent any

more damage, was made at the same time. The shume crew will remain in the spacewalk suit until the next morning, which is 5 a.m. Eastern time.

NASA is evaluating how much time it needs to complete the repair and to move the shuttle to a spacewalk. The crew will remain in the suit over night, a move that is considered

NASA's planning is to have the shuttle back in the air by 10 a.m. Eastern time, the middle of the week. The storm could be in the Gulf of Mexico just as mission controllers would be preparing for the Endeavour's landing.

No day is complete without

The New York Times

FURNITURE & RUG AUCTION

Ethan Allen of New York City has CLOSED ITS DOORS. PVC Auction Firm has obtained the remaining inventory and may liquidate it at public auction in conjunction with furniture and oriental rugs obtained from various liquidators and suppliers. THIS IS YOUR CHANCE TO PURCHASE FINE FURNITURE AND AREA RUGS FOR A FRACTION OF THEIR VALUE. LIVING ROOMS, UPHOLSTERY, LEATHER, CURIOS, BEDDING, GRANDFATHER CLOCKS AND MUCH MORE! FINE ORIENTAL RUGS FROM ALL OVER THE WORLD INCLUDING GENUINE HANDMADE PERSIAN RUGS. THIS AUCTION IS LIKE NONE OTHER!

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AUCTION TO BE HELD AT THE
FORMER LOCATION OF

ETHAN ALLEN
192 LEXINGTON AVE - NEW YORK, NY 10016
PHONE 212-213-0500

LIVING ROOMS

DINING ROOMS

BEDROOMS

LEATHER

ACCESSORIES

BEDDING

ORIENTAL RUGS
& MORE!!!

YOU ABSOLUTELY
DON'T WANT TO MISS
THIS AUCTION!!

All items auctioned will be liquidated must be picked up within 48 hours. All items must be paid for day of auction. A 10% deposit is required on all purchases during auction day. Auction to be held at the former location of Ethan Allen, 192 Lexington Avenue subject to revision. Terms of Payment: Visa, Mastercard, American Express, Discover, BankAmericard, and Cash. NO CREDIT CHECK, NO REFUNDS, RETURNS, OR EXCHANGES. Auctions protected by Harrelson House.

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Peripherals
Preliminary
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Geneva credenza & hutch
from our new Switzerland Series

Find just the desk you want
from one of ten distinctive
collections offered by Computer
Furniture Direct. Enjoy the comfort



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Please refer to ad on

NEWS ANALYSIS